

Iowa Department of Natural Resources Environmental Protection Commission

ITEM

6

DECISION

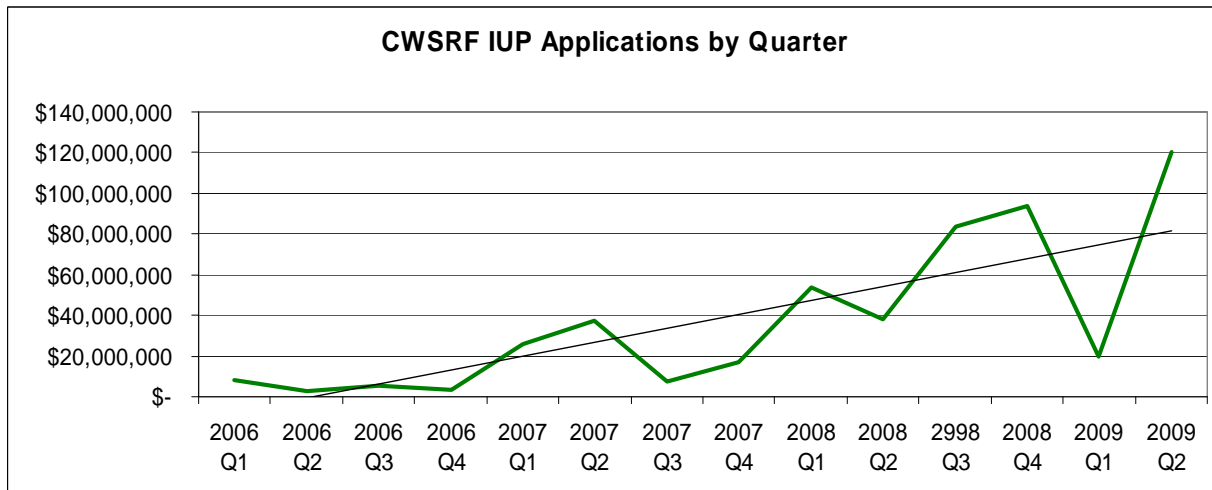
TOPIC **Clean Water and Drinking Water State Revolving Loan Fund – FY 2009
Intended Use Plans, Second Quarter Updates**

Commission approval is requested for second quarter updates to the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) Intended Use Plans (IUPs) for FY 2009. The Iowa SRF continues to grow and expand its role as one of the primary funding sources for water quality and protection of public health. Since 1989, the Iowa SRF has loaned more than \$1 billion.

The Iowa SRF is operated through a coordinated partnership between the Department of Natural Resources (DNR) and the Iowa Finance Authority (IFA). DNR administers the environmental and permitting aspects of the programs, with IFA providing financial assistance including loan approval and disbursements.

The second quarter IUP updates include provisions for using the SRF for disaster assistance. SRF staff will work with communities on a case-by-case basis to determine the assistance needed. Options will include restructuring existing SRF loans, and using SRF loans as match for FEMA grants, as short-term loans to be repaid with FEMA grants, and to pay for emergency repairs.

The CWSRF provides low-interest loans for wastewater and storm water infrastructure improvements and non-point source water quality projects. The second quarter update includes project requests for \$120 million, a new record for a quarterly amount.



This brings the total requests for FY 2009 to \$397 million, including \$33.7 million for non-point source projects. There is typically a lag between when projects are placed on the IUP and funding is disbursed. It is anticipated that approximately \$202 million will be disbursed during FY 2009 for CWSRF projects.

The DWSRF provides loans to public water supplies to protect public health and improve infrastructure. The second quarter update includes project requests for \$3.6 million. This brings the total for FY 2009 to \$145.8 million. It is anticipated that approximately \$104 million will be disbursed during FY 2009 for DWSRF projects.

The Sources and Uses tables for both CWSRF and DWSRF show that funds are available or obtainable to provide anticipated disbursements. The IUPs will be updated quarterly during FY 2009.

A public meeting was held July 30, 2008 to receive comments on the proposed IUP updates. No oral comments were provided at the hearing. The written comment period closed on August 7, 2008. No written comments were received.

Patti Cale-Finnegan
Water Quality Bureau
August 11, 2008



STATE *REVOLVING* FUND

Clean Water SRF
Drinking Water SRF

INTENDED USE PLANS

State Fiscal Year 2009
July 1, 2008 – June 30, 2009

Iowa Department of Natural Resources
Iowa Finance Authority

Adopted April 2008
Amended September 2008



Clean Water SRF

Drinking Water SRF

INTENDED USE PLANS

State Fiscal Year 2009

July 1, 2008 – June 30, 2009

The Iowa SRF (State Revolving Fund) is the best choice to finance drinking water and wastewater infrastructure, as well as projects addressing storm water quality and non-point source pollution. The Iowa SRF continues to grow and expand its role as one of the primary funding sources for water quality and protection of public health. Since 1989, the Iowa SRF has loaned more than \$927 million.

The Iowa SRF is operated through a unique partnership between the Department of Natural Resources (DNR) and the Iowa Finance Authority (IFA). DNR administers the environmental and permitting aspects of the programs, with IFA providing financial assistance including loan approval and disbursements. There are two separate funds: the Clean Water SRF, which finances water quality projects; and the Drinking Water SRF, which finances drinking water system upgrades to provide safe drinking water.

There are three types of loans available to help cities, public water supplies, counties, sanitary districts, or utility management organizations upgrade their water and wastewater systems.

- Planning and design (P&D) loans are provided at 0% interest for up to three years to cover the costs of preparing facility plans and project specifications. The loans will be rolled into SRF construction loans or repaid by another source of permanent financing. Many facilities are using P&D loans to prepare for applying for grants and other financing as well as for SRF loans.
- Construction loans are offered at 3% interest. Loan term can extend to 30 years based on the average useful life of the project, and, for drinking water projects, the disadvantaged status of the applicant.
- Source water protection loans are offered at 0% interest. These loans can help public water supplies acquire land and conservation easements or fund practices in their wellhead or source water protection areas.

In recent years, SRF infrastructure loans have ranged from a \$27,000 wastewater planning and design loan to Cresco, to a \$39 million to Cedar Rapids for a water system upgrade. SRF loans can be used in conjunction with other programs, and many SRF projects are co-funded with Community Development Block Grants, IFA wastewater assistance grants, or federal grants.

While there are certain requirements associated with federal funds, the savings for most communities will outweigh these other factors in deciding how to finance projects. In addition, SRF staff provide assistance to borrowers to address these requirements.



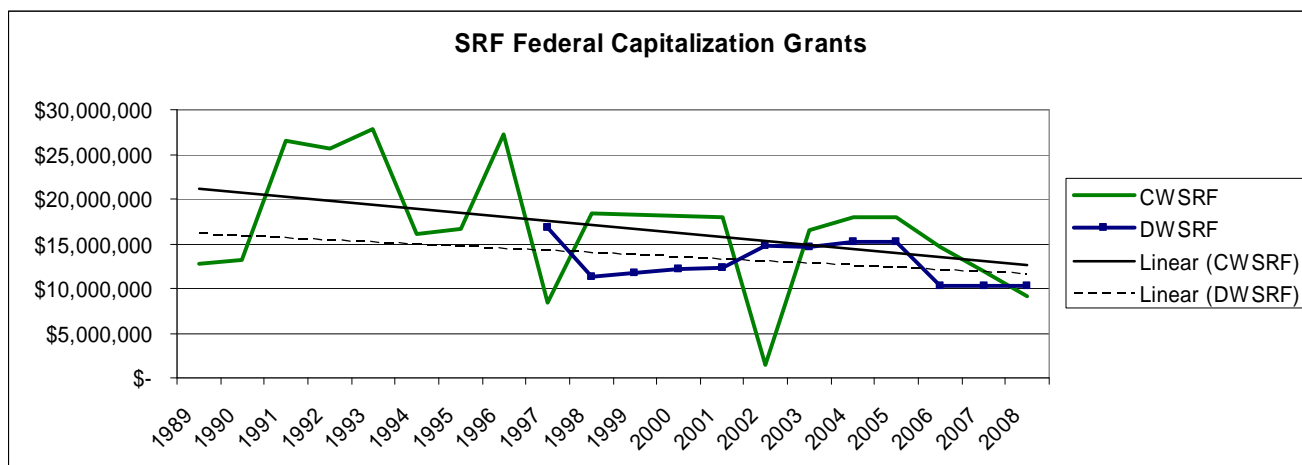
To help Iowans address non-point source water quality problems, the Iowa Water Quality Loan Fund was created as part of the Clean Water SRF. Through four targeted programs, loans are facilitated by participating lenders throughout the state.

- The On-Site Wastewater Systems Assistance Program (OSWAP), providing loans to rural homeowners to replace inadequate septic systems. New systems are certified by county sanitarians. The average loan amount is \$6,414.
- The Local Water Protection (LWP) Program, addressing soil, sediment, and nutrient control practices on agricultural land. The Iowa Department of Agriculture and Land Stewardship, Division of Soil Conservation, operates the program through local Soil and Water Conservation Districts.
- The Livestock Water Quality Facilities (LWQ) Program, assisting livestock producers with manure management plans, structures, and equipment. Facilities with under 1,000 animal unit capacity are eligible. The Iowa Department of Agriculture and Land Stewardship, Division of Soil Conservation, operates the program through local Soil and Water Conservation Districts.
- The General Non-Point Source (GNS) Program, for a wide variety of other water quality protection efforts. The program is coordinated by DNR and projects include habitat and wetland restoration, urban storm water management, landfill closure, lake restoration, and watershed planning. Loan amounts have ranged from \$6,500 to \$6 million.

The Clean Water SRF and Drinking Water SRF loan accounts can only be used for loans, not for grants. The diagram shows the sources and uses and how the funds revolve. The funds are capitalized by federal grants and state bonds required for a 20% match. Bonds can also be issued to generate additional loan funds, "leveraging" the capacity of the SRF.



Federal capitalization grant amounts, as shown in the chart below, are trending down for both CWSRF and DWSRF. In particular, the CWSRF across the nation has seen cuts over the last several years.



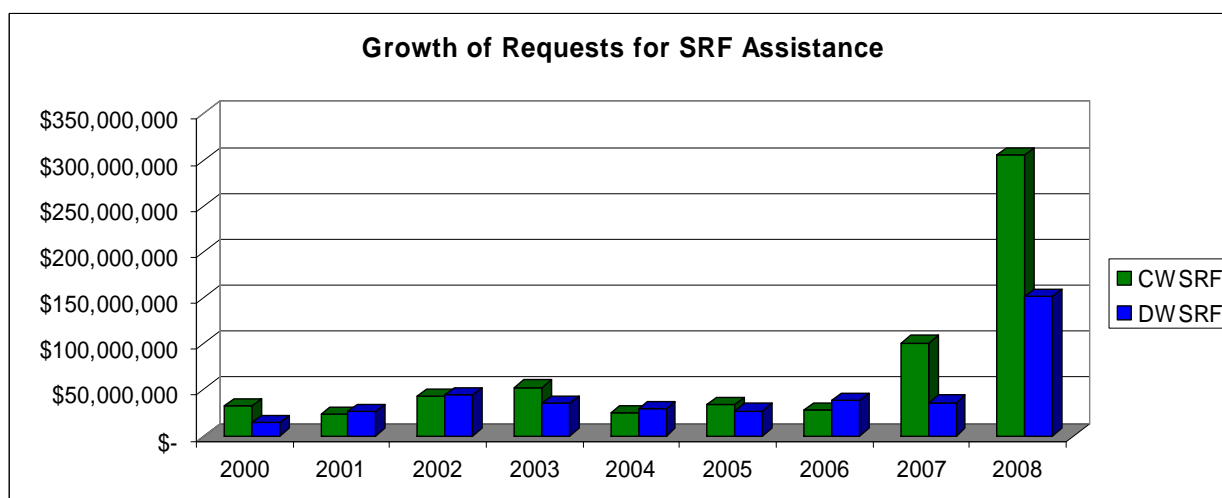
When loans are made, all loan repayments and interest income must go back into the loan fund. In this way, the funds truly revolve and grow in their capacity to meet water quality and drinking water needs into the future.

In recent years, SRF staff have focused on improving the programs by:

- Increasing the pace of projects and expanding the use of SRF funds;
- Providing excellent customer education and improving program marketing; and
- Integrating program and financial goals.

As a result of these efforts, as shown in the chart, FY 2008 was a record year for requests for SRF financing. The expansion includes:

- An increase in the number of communities coming to the SRF to borrow;
- More usage of the programs by larger communities with higher cost projects; and
- Reaching new borrowers through expansion of the non-point source programs.



Several factors will create greater needs for investment in the years to come: Higher regulatory standards, aging infrastructure, increased emphasis on environmental protection, and growth and expansion. The impacts from extensive flooding and other natural disasters are currently being

assessed. The SRF is not a very flexible tool for emergency response, but the Iowa SRF team is working with communities on a case-by-case basis to provide assistance. Some of the ways the SRF can help include:

- Restructure existing SRF loans. Communities with current financial difficulties may request an extension on the loan term or to delay principal payments. Under certain circumstances, it may be possible to reduce or eliminate interest and fee payments for a period of time.
- Use SRF loans as match for FEMA grants. FEMA funds will generally pay for 75% of replacement costs for public water and wastewater systems. The SRF can be used for the required 25% match.
- Use SRF funds as short-term loans to be repaid with FEMA grants. There may be times when a public facility has been approved for a FEMA grant but there is a delay in receiving the funds. In those situations, an SRF loan could be used to finance the repairs and then be repaid with FEMA money.
- SRF loans can be used to pay for emergency repairs. The SRF team will work with communities to expedite the normal SRF procedures to the extent possible. While the required environmental review process cannot be waived, the SRF team will use categorical exclusions wherever possible to shorten the review period. When all other requirements are met, emergency loans may be made and then shown on the next quarterly IUP update.

The financial capacity of the Iowa SRF is continually analyzed. Using relatively conservative assumptions, it is projected that the Clean Water SRF could loan an average of \$116 million per year over the next 10 years, or a total of \$1.16 billion. The Drinking Water SRF has the capacity to generate an average of \$60 million for loans per year. If demand outstrips capacity, projects will be prioritized to ensure that SRF loans go to projects with the highest value for public health and environmental protection.

The attached Intended Use Plans (IUPs) outline goals and strategies to be used in managing the Iowa SRF programs during fiscal year 2009. The IUPs will continue to be amended quarterly, with projects added and funding amounts adjusted as needed. While the plans of action outlined in this SFY 2009 IUPs may be amended in subsequent quarters, they are intended to lay out the general direction and goals of the Clean Water and Drinking Water SRF programs.



Clean Water
State Revolving Fund

INTENDED USE PLAN

State Fiscal Year 2009
July 1, 2008 – June 30, 2009

TABLE OF CONTENTS

I.	INTRODUCTION	7
II.	STATE FISCAL YEAR 2009 PLAN OF ACTION.....	7
	CWSRF Goals and Objectives.....	8
	Current and Projected Financial Capacity of the CWSRF	9
	Financial Management Strategies	9
	SFY 2009 Project Priority List	9
	Plan for Iowa Water Quality Loan Fund Programs (Set-Asides).....	10
	Plan for Use of Administrative Accounts.....	10
III.	INFORMATION ON THE CWSRF ACTIVITIES TO BE SUPPORTED.....	12
	Allocation of Funds	12
	Sources and Uses of Available CWSRF Funds.....	12
	Section 212 Projects Program Policies.....	12
	Administrative Costs of the CWSRF	13
	Non-Point Source Set-Aside Programs	13
	Plan for Efficient and Timely Use of CWSRF Funds.....	13
	Water Quality Management Planning	14
IV.	ASSURANCES AND SPECIFIC PROPOSALS.....	14
V.	CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS	14
	Priority of Communities and Financial Assistance Needed	14
	Non-Point Assistance Programs`	15
	Allocation of Funds Among Projects.....	15
VI.	METHOD OF AMENDMENT OF THE INTENDED USE PLAN	15
VII.	PUBLIC REVIEW AND COMMENT	15

CHARTS

Chart 1	CWSRF SFY 2009 Project Priority List
Chart 2	Nonpoint Source Project Set-Asides
Chart 3	Program Administration

APPENDICES

Appendix A	CWSRF Sources and Uses
Appendix B-1	Procedures to Determine Point Source Project Priority List
Appendix B-2	Criteria to Determine Project Priority List



Clean Water State Revolving Fund

INTENDED USE PLAN

State Fiscal Year 2009
July 1, 2008 – June 30, 2009

I. INTRODUCTION

The Clean Water State Revolving Fund (CWSRF) is one of Iowa's primary tools for funding water quality improvements. While many cities and other entities prefer to or need to receive grant funding for their water quality efforts, grant funding is limited and varies from year to year. As a loan program, the CWSRF can complement other state and federal grant programs as well as providing a source of funding over and above what is available through grants.

Since 1989, the Iowa CWSRF has committed more than \$600 million in below-market rate loans to meet Iowa's wastewater infrastructure needs. In addition, since 2003, the program has financed more than \$40 million to address non-point source pollution.

This Intended Use Plan (IUP) outlines progress made to date and plans for operating and managing the CWSRF during State Fiscal Year 2009.

II. STATE FISCAL YEAR 2009 PLAN OF ACTION

The plan is based on anticipated use of new and revolved funds available in the CWSRF for funding water quality protection needs, including both publicly owned wastewater and storm water facilities, and non-point source water protection projects.

The CWSRF loan program consists of two main program areas. First, the purchase of debt obligations for wastewater and storm water projects is provided through the CWSRF to publicly owned facilities. Second, the Iowa Water Quality Loan Fund, which uses direct loans or linked deposit financing approaches, encompasses non-point source programs

The SFY 2009 Plan of Action covers the following areas:

- CWSRF goals and objectives;
- Current and projected financial capacity of the CWSRF;
- Financial management strategies;
- Plan for the SFY 2009 project priority list;

- Plan for Iowa Water Quality Loan Fund programs (non-point source set-asides); and
- Plan for use of administrative accounts.

CWSRF Goals and Objectives

The primary long-term goal of the Iowa CWSRF is to protect the environment and public health and welfare through a perpetual financial assistance program. The SFY 2009 short-term goals and objectives are as follows:

- **Goal:** Provide financial assistance that is lower cost than private financing options while assuring the perpetual nature of the program. **Objectives:** *During SFY 2009, criteria in program rules will be used to set interest rates in the IUP. Those criteria include the cost of funds to the SRF, availability of other SRF funds, prevailing market interest rates of comparable non-SRF loans, and long-term SRF viability. We will analyze the impact on the fund of offering further interest rate reductions for disadvantaged communities. During SFY 2009 SRF staff will continue to educate and inform communities and consultants on the financial savings available by using the CWSRF.*
- **Goal:** Apply program requirements that are simple and understandable and do not add unnecessary burdens to applicants or recipients. **Objectives:** *During SFY 2009 SRF staff will continue to assist applicants with completing the federal cross-cutting requirements for environmental and historical review. In addition, SRF program manual and informational materials will be updated.*
- **Goal:** Continue the option of extended financing terms for CWSRF infrastructure projects. **Objective:** *During SFY 2009 this option will be offered to current and new projects on the project priority list.*
- **Goal:** Maintain mechanisms for funding the on-going administration of the program if federal funding is reduced or eliminated. **Objective:** *During SFY 2009 initiation and servicing fees will be collected on CWSRF loans for deposit to administrative accounts. SRF staff will develop short and long-term plans for administrative budgets.*
- **Goal:** Commit loan funds to fully fund as many recipients as possible in accordance with the state priority rating system, the IUP, staff resources, and available funding, in order to assist in the construction of projects with the highest water quality impacts. **Objectives:** *During SFY 2009, quarterly updates to the IUP will be prepared to add projects and update program financial information. A public process will be conducted to amend the CWSRF integrated project priority system to ensure that CWSRF assistance is directed to the highest priority efforts.*
- **Goal:** Manage the CWSRF to maximize its use and impact through sound financial management. **Objective:** *During SFY 2009 SRF staff and financial advisors will continue to conduct financial analysis and develop innovative approaches to financial management.*
- **Goal:** Implement programs that effectively address water quality needs and target appropriate audiences. **Objectives:** *During SFY 2009 SRF staff will use research findings to develop and implement a cooperative marketing plan, provide customer education, and develop program innovations to meet customer needs.*

Current and Projected Financial Capacity of the CWSRF

Appendix A, the Estimated Sources and Uses table, shows that funds are obtainable to fund current requests as of June 2008. The Iowa CWSRF program uses its equity fund to originate loans. When a sufficient number of loans have been made, the SRF program issues bonds, backed by those CWSRF loans, and uses the bond proceeds to replenish the equity fund. The SRF program plans on issuing bonds to reimburse the equity fund as well as for the FFY 2008 state match in the fall of 2008.

The leveraging capacity of the CWSRF is robust due to the maturity of the fund and a current loan portfolio of more than \$360 million. SRF staff have analyzed the future financial capacity of the CWSRF in light of the discussion over water quality standards and other future wastewater needs. Using relatively conservative assumptions, it is projected that the CWSRF could loan an average of \$116 million per year over the next 10 years, or a total of \$1.16 billion.

Financial Management Strategies

Charts 1, 2, and 3 (attached) show total loan requests and administrative set-asides of \$340 million for SFY 2009. This includes \$305.3 million in loan requests for wastewater projects. Because many of these projects are in the planning phase, they are not expected to sign a binding loan commitment during this fiscal year. The projected timing and demand for loan draws is reflected in the sources and uses table (Appendix A). The project list also includes \$33.7 million for non-point source set-asides, and \$.9 million for on-going program administration.

The sources of funds for this IUP includes federal capitalization grant funds available to Iowa for Federal Fiscal Year (FFY) 2007 and the estimated capitalization grant and state match amount for FFY 2008. The state match for the FFY 2006 and FFY 2007 capitalization grants was provided through a bond issue in October 2007.

SFY 2009 Project Priority List

The management of the CWSRF program includes a priority list of projects for loan assistance, which has been developed according to DNR rules 567 IAC 92 (455B). With the available CWSRF funds, this IUP provides a projection of loan funding assistance for applications in priority order determined by point source rating criteria defined in 567 IAC 91 (455B). This priority list may be amended on a quarterly basis as needed during SFY 2009. Chart 1 (attached) constitutes the project priority list.

The following categories of projects will be included for funding during SFY 2009 and are included on Chart 1:

Unfunded Prior Years' Section 212 Projects: These are loan requests remaining on the project priority list from previous years' IUPs. It is Iowa's intention to make CWSRF loans to these projects during SFY 2009.

Segments of Previously Funded Section 212 Projects. State rules provide that subsequent segments of a project, which has previously received funding priority or assistance, be placed on the project priority list ahead of new projects. Segmented projects will be added to the SFY 2009 project priority list as received.

New Section 212 Projects. New applications for assistance during SFY 2009 will be added to the project priority list. Applications will be accepted on a continuous basis during SFY 2009 with quarterly updates completed as needed.

Supplemental Financing. Supplemental financing for projects listed in previously approved IUPs are added to the IUP as they are requested unless the additional funds will be used for improvements that would significantly change the scope of the project. Additional environmental review may be required.

Supplemental loans will not be provided for changes that would lower the original score of the project to a point where the application is no longer competitive or is ineligible for funding.

Contingency Projects. Projects can be moved from contingency to active status whenever they are ready for funding. Active projects can be moved to contingency status if it is determined that the project is not progressing in a timely manner.

Planning and Design Loans. Planning and design loans are provided at 0% interest for up to three years to cover the costs of preparing facility plans and project specifications. The loans will be rolled into CWSRF construction loans or repaid by another source of permanent financing.

Plan for Iowa Water Quality Loan Fund Programs (Non-Point Source Set-Asides)

Iowa authorizing legislation and state administrative rules allow the use of CWSRF funds for non-point source pollution control projects. Four set-asides for non-point source program assistance have been established which target areas of need allowed under federal guidance and identified in the state water quality management plan.

For program marketing purposes, the set-asides have been identified as programs of the Iowa Water Quality Loan Fund. This has allowed cross-marketing of the four programs which in many cases will be used by the same audiences.

The table below outlines the current and proposed set-aside amounts planned for the four programs. Chart 2 (attached) also provides the set-aside funding amounts. These set-aside amounts may be amended based on need and the financial capacity of the CWSRF. Additional information on these programs is included in Section III of this IUP.

Program	Final SFY 2008 Set-Aside Amount	Proposed SFY 2009 Set-Aside Amount
Onsite Wastewater Assistance Program (OSWAP)	\$1.5 million	\$1.7 million
Local Water Protection Program (LWPP)	\$8.0 million	\$6.0 million
Livestock Water Quality Facilities Program (LWQ)	\$6.0 million	\$12.0 million
General Non-Point Source Program (GNS)	\$19.3 million	\$14.0 million
TOTAL IOWA WATER QUALITY LOAN FUND		\$33.7 million

Plan for Use of Administrative Accounts

There are three distinct funding sources for CWSRF administrative expenses:

- The CWSRF administrative set-aside. Four percent of the cumulative amount of federal capitalization grants received may be used for program administration and is shown in Chart 3.
- Loan initiation fees. A 1% loan origination fee is charged on CWSRF loans. Under EPA rules, because Iowa's origination fees are financed through the loans, the proceeds are considered program income. Program income can only be used for the purposes of administering the CWSRF program or for making new loans.
- Loan servicing fees. A fee of 0.25% on principal is charged annually on CWSRF loans. Under EPA rules, only servicing fees charged on loans made above and beyond the amount of the capitalization grant and fees collected after the capitalization grant under which the loan was made has been closed are considered non-program income. Non-program income can be used to administer the program or for other water quality purposes.

Program income. As of April 2008, there is approximately \$5.7 million in the fee account encompassing program income. A portion of these funds will be used in SFY 2009 for program administration, and the remainder will be reserved for future administrative expenses.

Non-Program Income. After expenses for utility management grants and bacterial monitoring used in SFY 2008, there is currently \$1.7 million available in funds considered non-program income. We propose the following uses for a portion of these funds during SFY 2009:

Purpose	Explanation	Amount
To provide funding for efforts to assist unsewered communities	<p>Many rural communities in Iowa provide little or no wastewater treatment. Discharge of untreated or partially treated waste presents a significant human health risk and potentially degrades ground and surface water quality. Viable waste treatment solutions are difficult and costly, often exceeding the local capacity for planning, financing, and management.</p> <p>Regional utility management organizations (UMOs) are stepping up to fill this void and address issues of leadership, financial capacity, operations, and delivery of services. Four UMOs were funded in SFY 2007, and five were funded in SFY 2008. In May 2008, DNR will hold a competitive solicitation and selected UMOs to receive grants totaling \$270,000 for funding during SFY 2009. UMOs that have received two years worth of funding will be eligible to apply for up to \$40,000, and others can apply for up to \$50,000.</p>	\$270,000
To conduct the 2008 Clean Water Needs Survey	<p>The CWNS is a comprehensive assessment of the capital needs to the water quality goals set in the Clean Water Act. Every four years, the states and EPA collect information about:</p> <ul style="list-style-type: none"> ■ Publicly owned wastewater collection and treatment facilities ■ Stormwater and combined sewer overflows (CSOs) control facilities ■ Nonpoint source (NPS) pollution control projects ■ Decentralized wastewater management 	\$75,000
To update wastewater design standards	This will provide funding for coordination of design standards updates.	\$100,000
To support the LiDAR project	LiDAR, which stands for Light Detection and Ranging, is a new technology that creates an interactive topographic map with elevation data accurate within eight inches. As a supplement to field surveys, LiDAR can be used for watershed planning and construction. It can also be used to evaluate alternative infrastructure options, for education and research purposes, and in engineering.	\$50,000
	TOTAL	\$495,000

III. INFORMATION ON THE CWSRF ACTIVITIES TO BE SUPPORTED

Allocation of Funds

Allocation of funds to eligible projects was based on a four-step process:

1. The amount of financial assistance needed for each application was estimated;
2. The sources and allowable uses of all CWSRF funds were identified; and
3. The CWSRF funds were allocated among the projects, consistent with the amount available and the financial assistance needed.
4. A designated amount was selected as reasonable and manageable for each set-aside.

Information pertinent to each CWSRF project is contained Chart 1, pursuant to Section 606(c)(3) of the Clean Water Act.

Sources and Uses of Available CWSRF Funds

Appendix A to the Intended Use Plan illustrates potential sources and uses of funds in the CWSRF for SFY 2009. As shown, all pending loan requests and program administration needs can be funded. Appendix A will be updated quarterly as needed to provide an ongoing view of the financial plan for meeting loan requests during SFY 2009.

The Iowa CWSRF program uses its equity fund to originate loans. When the number of loans that have been made creates a need for additional funds, IFA issues bonds, backed by those CWSRF loans, and uses the bond proceeds to replenish the equity fund. The SRF program plans on issuing bonds to reimburse the equity fund as well as for the FFY 2008 state match in the fall of 2008.

Section 212 Projects Program Policies

Loan Interest Rates. The interest rate for construction loans made from the CWSRF in SFY 2009 will be 3%. Interest rate for CWSRF planning and design loans will be 0% for up to three years.

In addition, interest rates for existing CWSRF loans that are at or beyond their 10-year point are reduced to 3%.

Loan Fees. A 1% origination fee is charged on the full loan amount for CWSRF construction loans. No origination fees will be charged on planning and design loans. A .25% servicing fee will be charged on construction loans.

Financing Term. The financing term will be up to 30 years. Current and new projects on the project priority list may request an extended term. The length of the term will be based on calculation of the average useful life of the entire project, to be determined by the applicant's consulting engineer and approved by DNR.

Maximum Financing. There is no maximum financing amount.

Project Readiness. Applicants cannot be offered assistance until they meet program requirements.

Funding Limitations. Pending loans identified in this IUP do not exceed funds obtainable for the CWSRF program. These estimates are based on the projections that, for projects that have completed program requirements and are ready for funding, only 50% of the loan amount will be disbursed this fiscal year. For projects that are currently in the planning phase but will be ready for funding during SFY 2009, it is projected that only 25% of total funds will be disbursed this fiscal year.

Administrative Costs of the CWSRF

Iowa intends to use CWSRF funds equivalent to 4% of the federal capitalization grant funds to pay the costs of administering the State Revolving Fund loan program. The amounts available from pending cap grants equal approximately \$947,000. The funds available for administrative costs will be adjusted if necessary to reflect 4% of the actual capitalization grant amount.

Any unused administration commitments are reserved for use in future years as necessary should capitalization grants be reduced, or actual costs increase. We anticipate administrative costs of approximately \$1.9 million in SFY 2009 and will use program income from fees to supplement the 4% administrative set-aside if needed.

Non-Point Source Control Programs

The Iowa Water Quality Loan Fund was created as part of the Clean Water SRF to help Iowans address non-point source water quality problems. Four programs target several areas of need, including:

- The On-Site Wastewater Systems Assistance Program (OSWAP), providing loans to rural homeowners to replace inadequate septic systems. New systems are certified by county sanitarians and loans are made through participating lenders.
- The Local Water Protection (LWP) Program, addressing soil, sediment, and nutrient control practices on agricultural land. DNR contracts with the Iowa Department of Agriculture and Land Stewardship, which operates the program through local Soil and Water Conservation Districts. Loans are made through participating lenders through a linked deposit arrangement.

The Livestock Water Quality Facilities (LWQ) Program, assisting livestock producers with manure management plans, structures, and equipment. Facilities with under 1,000 animal unit capacity are eligible. DNR contracts with the Iowa Department of Agriculture and Land Stewardship, which operates the program through local Soil and Water Conservation Districts. Loans are made through participating lenders through a linked deposit arrangement.

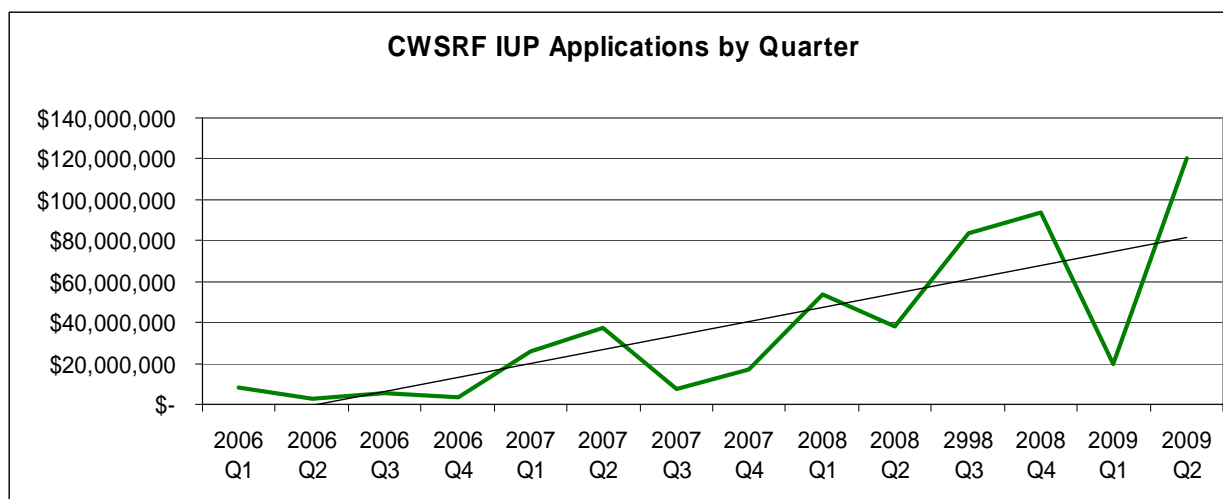
- The General Non-Point Source (GNS) Program, for a wide variety of other water quality protection efforts. Projects include habitat and wetland restoration, urban storm water management, landfill closure, lake restoration, and watershed planning.

Non-point source set-asides total \$33.7 million, including new projects and carryover projects from SFY 2008.

Plan for Efficient and Timely Use of CWSRF Funds

In recent years, the CWSRF has been opened to new uses, its processes streamlined, and the marketing and education enhanced. These improvements have resulted in more efficient and timely use of the CWSRF.

As shown in the chart below, the trend since SFY 2007 has been upward and currently there is a large number of projects in the pipeline moving toward loan commitments. Since the IUP is updated quarterly, additional projects will be added to the priority list during the fiscal year.



Program promotion and customer education will continue to be a major focus of our efforts in SFY 2009. Our goal will be to inform potential borrowers about the reduced time it takes to get projects approved and the financing savings that can be realized through the CWSRF. Just bringing borrowers into the program is not enough, however. During SFY 2008 we launched an “Advanced SRF” workshop series aimed at frequent users of the SRF programs. The workshops provide an opportunity to discuss SRF features, processes and procedures, to review requirements, to clarify issues and ask questions, and to discuss possible program improvements. We will continue that series as well as other avenues to making sure the SRF programs are transparent to all participants.

Water Quality Management Planning

A reserve for water quality management planning as required by Title VI of the Clean Water Act will be set aside from Iowa’s Title VI allotments and granted to the state for this purpose separately from the CWSRF. This reserve does not appear in this IUP as it has been already deducted from Iowa’s allotment and taken into account in projecting Iowa’s available capitalization grant.

IV. ASSURANCES AND SPECIFIC PROPOSALS

Iowa will provide the necessary assurances and certifications according to the Operating Agreement between the State of Iowa and the U.S. EPA. Iowa’s Operating Agreement was amended in April 2007.

V. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

The following approach was used to develop Iowa’s proposed distribution of CWSRF funds: (1) analysis of the priority of communities applying and financial assistance needed; (2) identification of the sources and spending limits of available funds; (3) allocation of funds among projects; (4) development of a payment schedule which will provide for making timely binding commitments to the projects selected for CWSRF assistance; and (5) development of a disbursement schedule to pay the project costs as incurred.

Priority of Communities and Financial Assistance Needed

Iowa law provides only for loan assistance. The state’s CWSRF rules identify the priority rating system used to establish priorities for loan assistance. Chart 1 is the state’s Project Priority List.

Non-Point Assistance Programs

Chart 2 (attached) includes set-asides for the Onsite Wastewater Assistance Program (OSWAP), Livestock Water Quality Facilities (LWQ), Local Water Protection (LWP) and General Non-point Source (GNS). These funds implement the intent of Iowa statute to use CWSRF funds for loan assistance to improve rural residential wastewater systems, to assist owners of existing animal feeding operations to meet state and federal requirements, for local water protection projects that will provide water quality improvement or protection and for general non-point source non-traditional projects that will provide water quality improvements or water quality protection. These systems are addressed as a need by Iowa's State Water Quality Management Plan. Individual loan applicants for all set-asides are not identified in this IUP. These programs will be operated as linked deposit or direct loan programs.

Allocation of Funds Among Projects

All projects listed in Chart 1 (attached) are eligible for assistance and may be funded from the CWSRF subject to available funds.

All projects scheduled for funding with Iowa's CWSRF will be reviewed for consistency with appropriate plans developed under sections' 205(j), 208, 303(e), 319 and 320 of the Clean Water Act, as amended. Evidence of this review and finding of consistency will be documented in each CWSRF project file. Should a project fail to meet this review criterion, it may be bypassed as allowed by State rules. Chart 1 provides for contingency projects, which may be considered for loan assistance as bypass projects according to state rules without formal amendment of this intended use plan.

VI. METHOD OF AMENDMENT OF THE INTENDED USE PLAN

This IUP will be followed by the State in administering CWSRF funds in SFY 2009. Federal and state law requires opportunity for public participation in the development of the IUP. Any revisions of the goals, policies and method of distribution of funds, must be addressed by a revision of the IUP, including opportunity for public participation. Updates to the IUP to add projects to the priority list, to make program changes, or to adjust dollar amounts in set-asides, will be made quarterly as needed. Minor adjustments in funding schedules, loan amounts and use of bypass provisions including funding of projects on contingency status are allowed by the procedures of this IUP and state rules for administration of the CWSRF without public notification.

VII. PUBLIC REVIEW AND COMMENT

A public meeting to allow input to Iowa's SFY 2009 IUP and Project Priority List was held May 1, 2008, 10:00 a.m., at the DNR Water Supply office, 401 SW 7th Street, Suite M, Des Moines. This meeting was announced in a notice provided to stakeholder organizations representing city officials, consulting engineers, county governments, councils of government, area planning agencies, US EPA Region VII and other groups which might have an interest. Notice of this meeting was published in the Des Moines Register, a statewide newspaper, on March 29, 2008. The public comment period was open until May 8, 2008. No oral or written comments were received.

For the second quarter update, a public meeting was held July 30, 2008, 10:00 a.m., at the DNR Water Supply office, 401 SW 7th Street, Suite M, Des Moines. This meeting was announced in a notice provided to stakeholder organizations representing city officials, consulting engineers, county governments, councils of government, area planning agencies, US EPA Region VII and other groups which might have an interest. Notice of this meeting was published in the Des Moines Register, a statewide newspaper, on June 27, 2008. The public comment period was open until August 7, 2008. No oral or written comments were provided.

CHARTS

Charts 1-3 are included in a separate, sortable Excel file.

APPENDIX A

Iowa CWSRF State Fiscal Year 2009 Q2
Estimated Funding Sources and Funding Uses
As of 6/30/08

Funding Sources

Funds Available in Equity and Loan Accounts	\$40,996,000
Funds Available Through Use of Redemption Fund and/or Issuance of Bonds	\$129,990,000
Federal Fiscal Year (FFY) 2008 Capitalization Grant	\$9,203,000
State Match for FFY 2008 Capitalization Grant	\$1,841,000
Equity Fund Interest Earnings during State Fiscal Year (SFY) 2009	\$1,250,000
Net Repayments on Equity Fund Loans during SFY 2009	\$9,143,000
Funds Released from Indentures to Equity Fund (available for loans)	\$10,190,000
<i>Total Funding Sources</i>	<i>\$202,613,000</i>

Funding Uses

Undisbursed Amounts Committed to Existing Loans (75% disbursement rate)	\$69,631,000
Section 212 Project Requests (FONSI issued; 50% disbursement rate)	\$46,064,000
Section 212 Project Requests (FONSI not issued; 25% disbursement rate)	\$48,399,000
Planning & Design Requests (approved on previous IUP)	\$6,934,000
Planning & Design Requests (new request this IUP)	\$927,000
Non-point Source Program Assistance	\$30,163,000
Program Administration From FFY 2007 Capitalization Grant	\$127,000
Program Administration From FFY 2008 Capitalization Grant	\$368,000
<i>Total Funding Uses</i>	<i>\$202,613,000</i>

* Loan disbursement rates are estimated based on previous experience with project pace. For projects that currently have not had a Finding of No Significant Impact issued, it is expected that up to 25% of the total project amounts may be disbursed during SFY 2008 once a FONSI has been cleared, construction permit issued, and binding loan commitment signed. For those projects with FONSI clearance, the disbursement rate is estimated at 50% of the loan request amount.

APPENDIX B-1

PROCEDURES TO DETERMINE SECTION 212 PROJECT PRIORITY LIST

Project rankings were determined by the following procedures:

Cost eligibility of projects was determined as per 567 IAC 92.7(9)(455B). Project applications received on or before the deadlines for each quarter will be evaluated separately. Applications in each project pool will be evaluated using the priority point system in 567 IAC 91.8 (455B).

The final project priority list for a fiscal year's project pool is compiled in the following manner: subsequent segments of projects funded by CWSRF loan programs of previous years will be ranked at the top; projects ranked in the current year application group will then be added.

Projects on the project priority list will be given contingency status should the total amount of needs exceed the year's CWSRF staff resources capability and loan funding. Projects will be funded from the top down in the ranking order of the project priority list. Projects are ranked similarly in the contingency project list. The top project in the contingency list can be moved to the funding list when funds are available. Funds can be made available due to a number of reasons including project bypasses, loan application withdrawal of other projects, reduction in loan amount requests, or an increase in available funds.

APPENDIX B-2

CRITERIA TO DETERMINE PROJECT PRIORITY LIST

Section 212 Projects Criteria

The point source rating criteria considers the use classification of the receiving waters, water quality of the receiving waters, compliance status of the discharger, project benefits, readiness to proceed and a tie breaker; define in 567 IAC 91.8 (455B). Priority ranking for the projects shall be based on the total points awarded for all the categories; the greater the total number of points, the higher the ranking. The ranking will be done at the time the IUP is prepared and will not be updated during the year. The tie breaker category will be used when necessary.

Livestock Water Quality Facilities Criteria

The livestock water quality facilities rating criteria consider the use classification of the receiving waters, water quality of the receiving waters, open feedlot plan rating and a tie breaker; define in 567 IAC 91.9 (455B). Priority ranking for the projects is based on the total points awarded for all the categories; the greater the total number of points, the higher the ranking.

Local Water Protection Projects Criteria

The local water protection projects rating criteria considers the use classification of the receiving waters, water quality of the receiving waters, the watershed management planning status in the watershed where the project is located and a tie breaker; defined in 567 IAC 91.10 (455B). Priority ranking for the projects is based on the total points awarded for all the categories. The greater total number of points, the higher the ranking. NOTE: It is likely that the soil conservation projects will be assisted through a linked deposit mechanism and the rating criteria will be used by county soil and water conservation districts to select projects.

General Non-Point Source Criteria

The general nonpoint source rating criteria considers the use classification of the receiving waters, water quality of the receiving waters, the project benefits and a tie breaker; defined in 567 IAC 91.11 (455B). Priority ranking for the projects is based on the total points awarded for all the categories. The greater total number of points, the higher the ranking.



Drinking Water
State Revolving Fund

INTENDED USE PLAN

State Fiscal Year 2009
July 1, 2008 – June 30, 2009

TABLE OF CONTENTS

I. INTRODUCTION	26
II. FY 2009 PLAN OF ACTION.....	26
DWSRF Goals and Objectives.....	27
Current and Projected Financial Capacity of the DWSRF	27
Financial Management Strategies	28
SFY 2009 Project Priority List	28
III. INFORMATION ON THE DWSRF ACTIVITIES TO BE SUPPORTED.....	29
Allocation of Funds	29
Sources and Uses of Available DWSRF Funds.....	29
DWSRF Loan Policies	29
Intended Use of Set-Asides	30
Plan for Efficient and Timely Use of DWSRF Funds.....	32
IV. ASSURANCES AND SPECIFIC PROPOSALS.....	33
V. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS.....	33
Priority of Communities and Financial Assistance Needed	33
Non-Point Assistance Programs`	33
Allocation of Funds Among Projects	33
VI. METHOD OF AMENDMENT OF THE INTENDED USE PLAN	33
VII. PUBLIC REVIEW AND COMMENT	33

CHARTS

Chart 1 DWSRF SFY 2009 Project Priority List
Chart 2 DWSRF Set-Asides

APPENDICES

Appendix A DWSRF Sources and Uses
Appendix B Procedures to Determine Point Source Project Priority List



Drinking Water State Revolving Fund

INTENDED USE PLAN

State Fiscal Year 2009
July 1, 2008 – June 30, 2009

I. INTRODUCTION

The Drinking Water State Revolving Fund (DWSRF) is one of Iowa's primary tools for funding improvements to public water systems. While many cities and other entities prefer to or need to receive grant funding for their water quality efforts, grant funding is limited and varies from year to year. As a loan program, the DWSRF can complement other state and federal grant programs as well as providing a source of funding over and above what is available through grants.

Since 2000, the Iowa DWSRF has committed more than \$287 million in below-market rate loan funds to meet Iowa's water system infrastructure needs.

This Intended Use Plan (IUP) outlines progress made to date and plans for operating and managing the DWSRF during State Fiscal Year 2009.

II. STATE FISCAL YEAR 2009 PLAN OF ACTION

This plan is based on anticipated use of new and revolved funds available in the DWSRF for funding construction of treatment plants or improvements to existing facilities, water storage facilities, wells, and source water protection efforts.

The SFY 2009 Plan of Action covers the following areas:

- DWSRF goals and objectives;
- Current and projected financial capacity of the DWSRF;
- Financial management strategies;
- Plan for the SFY 2009 project priority list;
- Plan for use of DWSRF set-aside funds; and
- Plan for use of administrative accounts.

DWSRF Goals and Objectives

The primary long-term goal of the Iowa DWSRF is to support the protection of public health through a perpetual program of financial assistance for the purposes of ensuring the provision of an adequate quantity of safe drinking water to consumers of public water supplies, protecting source water for drinking water systems, and ensuring the long-term viability of existing and proposed water systems.

The SFY 2009 short-term goals and objectives are as follows:

- **Goal:** Ensure that borrowers are able to provide safe drinking water at a reasonable cost for the foreseeable future. **Objectives:** *During SFY 2009, viability assessments will be completed by each applicant and reviewed by SRF staff prior to signing of the loan agreement. Systems determined nonviable will be provided with an enforceable compliance schedule listing all actions that must be completed to return the system to viable status. Extended term financing will be offered to disadvantaged communities. SRF staff will coordinate efforts with other funders such as the Community Development Block Grant program. We will continue to educate and inform public water supplies, engineering consultants, and financial advisors on the financing savings available by using the DWSRF.*
- **Goal:** Provide below-market rate financial assistance while assuring the perpetual nature of the program. **Objective:** *During SFY 2009, criteria in program rules will be applied to set interest rates in the IUP, including cost of funds to the SRF, availability of other SRF funds, prevailing market interest rates of comparable non-SRF loans, and long-term SRF viability.*
- **Goal:** Apply program requirements that are simple and understandable and do not add unnecessary burdens to applicants or recipients. **Objectives:** *During SFY 2009, SRF staff will continue to provide environmental review services, conduct project meetings, provide technical assistance for meeting federal requirements, and update the water supply manual and web-site as needed. On-line loan applications will be available.*
- **Goal:** Commit loan funds to fully fund as many recipients as possible in accordance with the state priority ranking system, the IUP, staff resources, and available funding. **Objectives:** *During SFY 2009, quarterly updates to the IUP will be prepared to add projects and update program financial information. During SFY 2009, the DWSRF project priority system will be assessed to ensure that DWSRF assistance is directed to the highest priority efforts.*
- **Goal:** Manage the DWSRF to maximize its use and impact through sound financial management. **Objective:** *During SFY 2009 SRF staff and financial advisors will continue to conduct financial analyses and develop innovative approaches to financial management.*
- **Goal:** Maintain mechanisms for funding the on-going administration of the program if federal funding is eliminated or reduced. **Objectives:** *During SFY 2009 initiation and servicing fees will be collected on DWSRF loans for deposit to administrative accounts. SRF staff will develop short and long-term plans for administrative budgets.*

Current and Projected Financial Capacity of the DWSRF

Appendix A, the Estimated Sources and Uses table, shows that available funds are sufficient to fund current requests.

SRF staff have analyzed the future financial capacity of the DWSRF. Using relatively conservative assumptions, it is projected that the DWSRF could loan an average of \$60 million per year over the next 10 years, or a total of \$600 million.

Financial Management Strategies

The sources of funds for this IUP include federal capitalization grant funds received and matched up to and including the FFY 2007 and the estimated capitalization grant and state match amounts for FFY 2008. State match for the FFY 2006 and FFY 2007 capitalization grants was provided through a bond issue in October 2007. The FFY 2008 capitalization grant will be matched with state bonds during SFY 2009.

SFY 2009 Project Priority List

The management of the DWSRF program, including development of a project priority list for financing assistance, was developed according to Part 567 of the Iowa Administrative Code (IAC), Chapter 44. This amended IUP indicates the intent to provide funds to projects ranked in priority order according to scoring criteria contained in Chapter 44 of the IAC. Chart 1 constitutes the State's project priority list.

In the event that projects identified for funding in the IUP do not attain readiness for a loan commitment by projected dates, these delayed projects may be bypassed. Other projects may be added to Chart 1 to be funded based on the State's implementation rules for the DWSRF program (567 IAC 44). Applications that are in excess of available DWSRF assistance or that are unable to enter binding commitments within one year may be placed on the Contingency status according to priority.

Projects will be funded as ranked on the project priority list. Adjustment to the list of fundable projects will be made, if necessary, to assure that at least 15% of the project funds are available to systems serving fewer than 10,000 persons as specified in Section 1452(a) (2) of the Act. Financing may be provided for up to 100% of project costs if the costs are eligible for funding based on engineering, environmental, and financial review and project readiness to proceed as described above.

The following categories of projects will be included for funding during SFY 2009:

Unfunded Prior Years' Projects. All projects from prior years that have not entered into a binding commitment are included in this IUP.

Segments of Previously Funded Projects. State rules provide that subsequent segments of a project which has previously received funding priority or assistance be placed on the project priority list with the original project score.

New Projects. New applications for assistance during SFY 2009 will be added to the project priority list. Applications will be accepted on a continuous basis and quarterly updates completed as needed.

Supplemental Financing. Supplemental financing for projects listed in previously approved IUPs are added to the IUP as they are requested unless the additional funds will be used for improvements that would significantly change the scope of the project. Additional environmental review may be required. Supplemental loans will not be provided for changes that would lower the original score of the project to a point where the application is no longer competitive or is ineligible for funding.

Contingency Projects. Projects on contingency status have indicated they do not expect to enter into binding commitments during FY 2009. These projects may be moved to fundable status if their schedules indicate they will require funding during FY 2009.

Planning and Design Loans. Requests for planning and design loans are listed on Chart 1 but have not been assigned priority points.

Source Water Protection Loans. No requests have been received for SWP loans. If applications are received during SFY 2009, they will be reviewed and approved for listing on the project priority list. Borrower must have an approved SWP plan and the proposed project must be a component of the SWP plan.

III. INFORMATION ON THE DWSRF ACTIVITIES TO BE SUPPORTED

Allocation of Funds

Allocation of funds to eligible projects is based on a three-step process:

1. The amount of financial assistance needed for each application is estimated;
2. The sources and spending limits for all DWSRF funds are identified; and
3. The DWSRF funds are allocated among the projects, consistent with the financial assistance needed.

Information pertinent to each DWSRF project is contained in Chart 1.

Sources and Uses of Available DWSRF Funds

Appendix A to this IUP illustrates the potential sources and uses of funds in the DWSRF for SFY 2009. The project needs total in Chart 1 reflects all unfunded needs. All pending requests and program administration needs can be met in SFY 2009.

The Iowa DWSRF program uses its equity fund to originate loans. When the number of loans that have been made creates a need for additional funds, IFA issues bonds, backed by those DWSRF loans, and uses the bond proceeds to replenish the equity fund. The SRF program plans on issuing bonds to reimburse the equity fund as well as for the FFY 2008 state match in the fall of 2008.

DWSRF Loan Policies

Loan Interest Rate. The interest rate for DWSRF construction loans will be 3%. Interest rates for DWSRF planning and design loans will be 0% for up to three years. Interest rates for source water protection loans, which come out of the Other Authorized Uses set-aside, will be 0% for up to 20 years.

Loan Fees. A 1% origination fee will be charged on the full loan amount for DWSRF construction and source water protection loans. No origination fees will be charged on planning and design loans. A 0.25% servicing fee will be charged on construction and source water protection loans.

Maximum Financing. There is no maximum financing amount.

Project Readiness. Applicants cannot be offered assistance until they meet program requirements.

Funding Limitations. All program requests for disbursements from DWSRF projects can be met. These estimates are based on the projections that, for projects that have completed program requirements and are ready for funding, only 75% of the loan amount will be disbursed this fiscal year. For projects that are currently in the planning phase but will be ready for funding during SFY 2009, it is projected that only 33% of total funds will be disbursed to the project this fiscal year.

Disadvantaged Communities. The Safe Drinking Water Act Amendments of 1996 allow states to provide an extended term for a loan to a disadvantaged community as long as the extended term does not terminate more than 30 years after project completion and the loan term does not exceed

the expected design life of the project. The Act defines a disadvantaged community as the service area of a public water system that meets affordability criteria established after public review and comment.

Community public water systems serving populations that contain a majority (51 percent) of Low to Moderate Income (LMI) persons will be considered disadvantaged for the purpose of the DWSRF loan program. Low to moderate income is defined as 80 percent of the median household income in the county or state (whichever is higher) using the most recent federal census or income survey data. Privately owned community public water systems will be considered eligible for disadvantaged community status if an income survey indicates that the service area meets the LMI criteria. Rural water systems will be considered eligible for disadvantaged community status if an income survey indicates that the area benefiting from the improvements meets the LMI criteria. Income surveys must be done according to the protocol specified by the Community Development Block Grant program.

Loans to disadvantaged communities are limited to public water supply infrastructure improvements. Projects eligible for funding from set-asides, such as source water protection projects, are not eligible in accordance with federal program requirements.

Only those portions of a project that have a design life or life cycle of at least 30 years are eligible for repayment schedules exceeding 20 years. The department will use the table of estimated useful lives from EPA's publication 816-R-03-016 to determine the length of the loan for eligible expenses. The consulting engineer for the project will be required to separate and itemize costs so that a weighted maturity may be calculated for loan repayment. The list of itemized costs and expected useful lives will be required prior to signing of the loan agreement.

Disadvantaged community assistance will not exceed 60 percent of the total dollars made available for infrastructure loans in each annual IUP. If more than 60 percent of the total infrastructure loan dollars are requested for disadvantaged community assistance, applications will be funded based on their priority points on a first come, first served basis. If a project is not able to enter into a binding commitment in a timely manner, it may be replaced with the next disadvantaged community project that is ready to proceed.

Intended Use of Set-Asides

States are allowed to take or reserve up to 31% of each federal capitalization grant for a number of activities that enhance the technical, financial, and managerial capacity of public water systems and protect sources of drinking water.

The amounts are subject to approval by EPA of program workplans. DNR's SFY 2009 workplans as of July 2008 have been submitted to EPA for approval. In this IUP, general work efforts are outlined, for update as needed later in the year. Iowa plans to take or reserve the allowed amount in each set-aside.

There are four set-asides, including:

- Small System Technical Assistance (2% of capitalization grants)
- DWSRF Administration (4%)
- State Program Management (10%), requires a 1:1 match with state funds
- Other Authorized Uses (15%, with no more than 10% to any one activity)

DNR has two options for addressing the amounts available each year in set-asides. Set-aside funds may be reserved for future use, in which case they would be deducted from a future capitalization

grant when they are ready to be taken. Funds that are taken from an available capitalization grant must be applied to planned work efforts approved by EPA.

In recent years, DNR has been fully using the set-asides and drawing upon reserved funds due to budget needs for programs and efforts required by EPA and critical for ensuring public health. Once the reserved amounts are expended, the amounts available for each set-aside will be limited to the percentage allowed out of each capitalization grant. The Other Authorized Uses set-aside cannot be reserved.

DWSRF Program Administration Set-Aside. Iowa intends to take this set-aside to pay the costs of administering the State Revolving Fund loan program in SFY 2009. Among the uses for the set-aside are:

- Portfolio management, debt issuance, and financial, management, and legal consulting fees;
- Loan underwriting;
- Project review and prioritization;
- Project management;
- Environmental review services;
- Technical assistance to borrowers;
- Database development and implementation; and
- Program marketing and coordination.

Unused commitments are reserved for use in future years as necessary.

Small System Technical Assistance Set-Aside. Iowa intends to use DWSRF funds equivalent to 2% of the federal capitalization grant funds to provide technical assistance to public water supplies serving populations of less than 10,000.

Funds from this set-aside will be used this year to provide technical assistance through the issuance of operation permits, monitoring reminders, and assistance for consumer confidence reporting for public water systems serving populations of less than 10,000.

Unused commitments are reserved for use in future years for DNR staff and other purposes as necessary.

State Program Support Set-Aside. The primary uses of this set-aside are to assist with the administration of the Public Water Supply Supervision program, to review engineering documents for non-DWSRF construction projects, to determine viability for new systems, and to provide operating permits for public water supplies serving at least 10,000 persons.

Other uses planned for SFY 2009 will include:

- Completing sanitary surveys with viability assessments and to provide education and technical assistance to medium and large-sized public water supplies;
- Upgrading the SDWIS database and other information technology updates; and
- Contracts with counties to complete sanitary surveys for transient non-community systems.

Fifty percent of this amount will be funded from the capitalization grant and the remaining 50% will be funded from State sources. Unused commitments are reserved for use in future years for DNR staff and other purposes as needed.

Other Authorized Activities Set-Aside. The two primary uses of this set-aside in SFY 2009 will be capacity development and source water protection.

Funds will be budgeted for efforts related to developing technical, managerial, and financial capacity for Iowa's public water supplies, including:

- Completion of sanitary surveys with viability assessments;
- Provision of technical assistance related to capacity development through the area wide optimization program (AWOP); and
- Updating and development of new viability assessment manuals.

The SWP budget will be managed by the DNR Watershed Improvement section, which includes the SWP coordinator position. Activities planned for FY 2009 include:

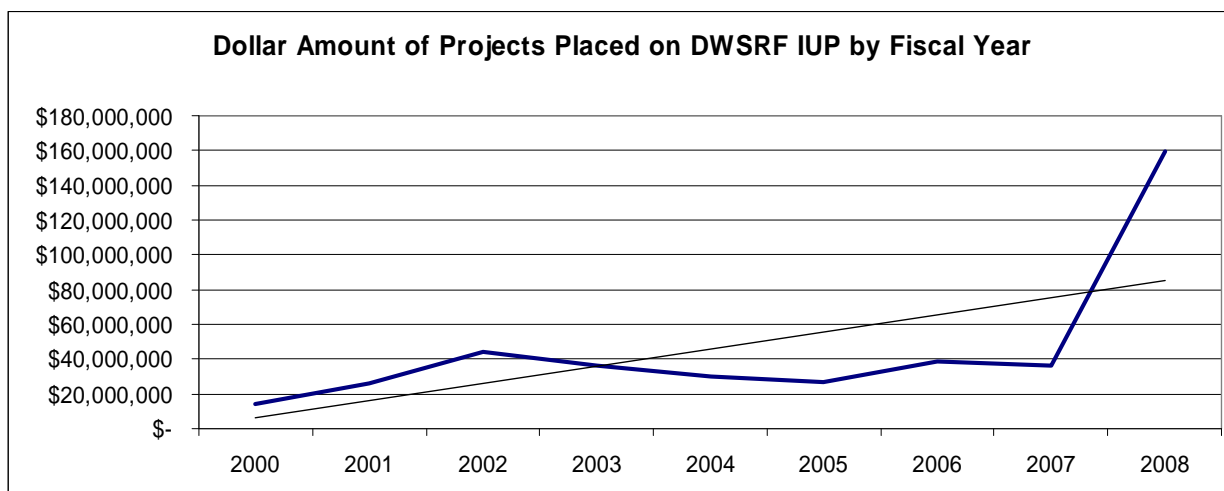
- Updating SWP Phase I reports for priority water supplies;
- Initiating up to four Phase 2 plans;
- Developing Phase 2 criteria through SWP Technical Advisory Committee;
- Providing SWP raw water monitoring for up to eight priority water supplies; and
- Providing SWP groundwater investigation of up to eight priority water supplies.

Most of the remaining funds in this set-aside will be used for the above capacity development and SWP efforts in future budget years.

One of the uses of this set-aside is for SWP loans. It is proposed in this IUP to set the interest rate for SWP loans at 0%.

Plan for Efficient and Timely Use of DWSRF Funds

As shown in the chart below, SFY 2008 saw a large increase in projects requests. Since the IUP is updated quarterly, additional projects will be added to the priority list during the fiscal year.



Program promotion and customer education will continue to be a major focus of our efforts in SFY 2009. Our goal will be to inform potential borrowers about savings that can be realized through the DWSRF. Just bringing borrowers into the program is not enough, however. During SFY 2008 we launched an "Advanced SRF" workshop series aimed at frequent users of the SRF programs. The workshops provide an opportunity to discuss SRF features, processes and procedures, to review requirements, to clarify issues and ask questions, and to discuss possible program improvements.

We will continue that series as well as other avenues to making sure the SRF programs are transparent to all participants.

IV. ASSURANCES AND SPECIFIC PROPOSALS

Iowa will provide the necessary assurances and certifications according to the Operating Agreement between the State of Iowa and the U.S. EPA. Iowa's Operating Agreement was amended in April 2007.

V. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

The following approach was used to develop Iowa's proposed distribution of DWSRF funds: (1) analysis of the priority of communities applying and financial assistance needed; (2) identification of the sources and spending limits of available funds; (3) allocation of funds among projects; (4) development of a payment schedule which will provide for making timely binding commitments to the projects selected for DWSRF assistance; and (5) development of a disbursement schedule to pay the project costs as incurred.

Priority of Communities and Financial Assistance Needed

Iowa law provides only for loan assistance. The state's DWSRF rules identify the priority rating system used to establish priorities for financial assistance. Chart 1 is the state's Project Priority List.

Projects are considered eligible for financial assistance for all planning and project costs providing the project is on the project list of an approved IUP.

Allocation of Funds among Projects

All projects listed in Chart 1 are eligible for assistance and may be funded from the DWSRF subject to available funds.

All projects scheduled for funding with Iowa's DWSRF will be reviewed for consistency with the Safe Drinking Water Act, as amended. Should a project fail to meet this review criterion, it may be bypassed or deleted from the funding list. Contingency projects may be considered for assistance as bypass projects according to state rules without formal amendment of this IUP. Projects may be added to Chart 1 in priority order as applications are received.

VI. METHOD OF AMENDMENT OF THE INTENDED USE PLAN

The State will follow this IUP in administering DWSRF funds in FY 2009. The IUP must be subjected to public review and comment. Any revisions of the goals, policies and method of distribution of funds must be addressed by a revision of the IUP, including public participation. Minor adjustments in funding schedules, loan amounts, and use of bypass provisions including funding of projects on the contingency list are allowed by the procedures of this IUP and state rules for administration of the DWSRF without public notification. Adjustments to Chart 1 to utilize actual funds available to the DWSRF for FY 2009 will be considered minor and only affected applicants will be notified. Public notice of amendments will be made if municipalities are added to or removed from Chart 1.

VII. PUBLIC REVIEW AND COMMENT

A public meeting to allow input to Iowa's SFY 2009 IUP and Project Priority List was held May 1, 2008, 10:00 a.m., at the DNR Water Supply office, 401 SW 7th Street, Suite M, Des Moines. This meeting was announced in a notice provided to stakeholder organizations representing city officials, consulting engineers, county governments, councils of government, area planning agencies, US EPA Region VII and other groups which might have an interest. Notice of this meeting was published in the Des Moines Register, a statewide newspaper, on March 29, 2008. The public comment period was open until May 8, 2008. No oral or written comments were received.

For the second quarter update, a public meeting was held July 30, 2008, 10:00 a.m., at the DNR Water Supply office, 401 SW 7th Street, Suite M, Des Moines. This meeting was announced in a notice provided to stakeholder organizations representing city officials, consulting engineers, county governments, councils of government, area planning agencies, US EPA Region VII and other groups which might have an interest. Notice of this meeting was published in the Des Moines Register, a statewide newspaper, on June 27, 2008. The public comment period was open until August 7, 2008. No oral or written comments were provided.

CHARTS

Charts 1-2 are included in a separate, sortable Excel file.

APPENDIX A

Iowa DWSRF State Fiscal Year 2009 Q2
Estimated Funding Sources and Funding Uses
As of 6/30/08

Funding Sources for Loans

Funds Available in Equity and Loan Accounts	\$16,889,000
Funds Available Through Issuance of Bonds	\$61,691,000
Federal Fiscal Year (FFY) 2006 Capitalization Grant available for loans	\$435,000
State Match for FFY 2006 Capitalization Grant	\$0
Federal Fiscal Year (FFY) 2007 Capitalization Grant available for loans	\$6,501,000
State Match for FFY 2007 Capitalization Grant	\$0
Federal Fiscal Year (FFY) 2008 Capitalization Grant available for loans (est.)	\$7,611,000
State Match for FFY 2008 Capitalization Grant	\$2,030,000
Equity Fund Interest Earnings during State Fiscal Year (SFY) 2009	\$450,000
Net Repayments on Equity Fund Loans during SFY 2009	\$3,625,000
Funds Released from Indentures to Equity Fund (available for loans)	<u>\$5,002,000</u>
Total Funding Sources for Loans	\$104,234,000

Funding Uses for Loans

Undisbursed Amounts Committed to Existing Loans (80% disbursement rate)	\$37,758,000
Project Requests (FONSI issued; 65% disbursement rate)	\$33,876,000
Project Requests (FONSI not issued; 30% disbursement rate)	\$26,411,000
Planning & Design Requests (approved on previous IUP)	\$4,895,000
Planning & Design Requests (new request this IUP)	<u>\$1,294,000</u>
Total Funding Uses for Loans	\$104,234,000

* Loan disbursement rates are estimated based on previous experience with project pace. For projects that currently have not had a Finding of No Significant Impact issued, it is expected that up to 33% of the total project amounts may be disbursed during SFY 2008 once a FONSI has been cleared, construction permit issued, and binding loan commitment signed. For those projects with FONSI clearance, the disbursement rate is estimated at 75% of the loan request amount.

Funding Sources for Set Asides

Available Balance under Existing Capitalization Grants for set asides:

Administration	\$1,789,000
Small Systems Technical Assistance	\$430,000
State Program	\$1,158,000
Other Authorized Activities	<u>\$5,079,000</u>

Total Funding Sources for Set-Asides	\$8,456,000
--------------------------------------	-------------

Funding Uses for Set Asides

Set Asides:

Administration	\$1,789,000
Small Systems Technical Assistance	\$430,000
State Program	\$1,158,000
Other Authorized Activities	<u>\$5,079,000</u>

Total Uses for Set Asides	\$8,456,000
---------------------------	-------------

APPENDIX B

PROCEDURES TO DETERMINE PROJECT PRIORITY LIST

Project rankings were determined by the following procedures:

- Eligibility of applications were determined by needs criteria identified in IAC 567—44.7(8). In general, most water source, treatment and distribution system improvements are considered eligible.
- Project applications received during the FY 2009 application period were considered for funding in FY 2009; if not funded by the end of FY 2009, these projects will be moved to the FY 2010 project priority list.
- The priority ranking is a total score developed using the scoring criteria listed in IAC 567—44.7(8). Points may be gained in each of five categories: Water Quality and Human Health Risk-Related Criteria (60 point maximum), Infrastructure and Engineering-Related Improvement Criteria (35 point maximum), Affordability Criteria (10 point maximum), Special Category Improvements (15 point maximum), and IDNR Adjustment Factor for Population (10 points). The combined score provides a numerical measure to rank each project within its pool. A project with a larger number receives higher priority.
- The final project priority list for a fiscal year's project pool is compiled in the following manner: Subsequent segments of projects funded by DWSRF loan programs of previous years will retain their original score and be added to the list of the current year's applications.
- Loan-eligible projects submitted will be placed on the IUP each calendar quarter. If the project is anticipated to proceed during FY 2009, the project will be added to the project priority list and the list will be made available for public comment at the end of each calendar quarter in which one or more projects are added to the list.
- Projects on the project priority list will be moved to contingency status if the total amount of needs exceeds the year's DWSRF staff resources capability and loan funding or if it is known that the project will be unable to be funded during FY 2009. Projects will be funded from the top down in the ranking order of the project priority list with consideration given to readiness to proceed. Projects are ranked similarly in the contingency project list. Projects on contingency status can be moved to the funding list when funds are available or when the project is ready to proceed. Funds can be made available due to a number of reasons including project bypasses, loan application withdrawal of other projects, reduction in loan amount requests, or an increase in available funds.

Project Name	CWSRF No.	IUP Yr	Needs Category	Priority Points	Quarter	Project Status	Current Requests	Loan Signed	Original Request	Loan Amount
Collins	PD-CW-08-52	2009	I,IIIA	P&D	2	F	\$ 161,500			
Little Rock	PD-CW-08-40	2009		P&D	2	F	\$ 100,000			
Maharishi Vedic City	PD-CW-08-42	2009	I	P&D	2	F	\$ 140,000			
Storm Lake	PD-CW-09-01	2009	II, IIIB	P&D	2	F	\$ 175,000			
Swea City	PD-CW-08-49	2009	IIIA	P&D	2	F	\$ 150,000			
Terril	PD-CW-08-47	2009	IIIA	P&D	2	F	\$ 200,000			
Anamosa		2009	II	180	2	P	\$ 1,919,000			
Leon		2009	IIIA	180	2	P	\$ 6,282,200			
Ottumwa	1920412 01	2009	V	170	2	P	\$ 10,069,700			
Sioux City	1920415 01	2009	II	170	2	P	\$ 31,000,000			
Macedonia	CS1920416 01	2009	I	155	2	P	\$ 468,320			
Urbana	1920413 01	2009	II,IVB	150	2	P	\$ 5,500,000			
Dubuque	1920417 01	2009	II	130	2	P	\$ 54,838,000			
Indianola	1920411 01	2009	IIIA	105	2	P	\$ 9,090,000			
Centerville	1920414 01	2009			2	D				
Grinnell	1920057 02	2009	I, IIIA, IVB	Refinance	1	F	\$ 2,190,000			
Villisca	192277 01	2009	I	Refinance	1	F	\$ 2,841,000			
Alta	PD-CW-08-33	2009	I	P&D	1	F	\$ 134,800			
Poweshiek Water	PD-CW-08-35	2009	I	P&D	1	F	\$ 131,000			
Superior	PD-CW-08-30	2009	I, IVA	P&D	1	F	\$ 50,000			
Sutherland	PD-CW-08-34	2009	I, IIIA	P&D	1	P	\$ 100,000			
Schaller	1920407 01	2009	I, IIIB	160	1	P	\$ 841,000			
Cedar Rapids	1920406 01	2009	IIIB	150	1	P	\$ 11,974,000			
Garner	1920405 01	2009	II	150	1	P	\$ 3,333,000			
Swisher	1920409 01	2009	II, IIIB	150	1	P	\$ 2,810,000			
Remsen	1920404 01	2009	II	135	1	P	\$ 1,960,000			
Spencer	1920410 01	2009	V	125	1	P	\$ 1,000,000			
Boone	PD-CW-08-24	2008	IIIA	P&D	4	F	\$ 811,000			
Coralville	PD-CW-08-20	2008	II	P&D	4	F	\$ 290,000			
Promise City	PD-CW-08-21	2008	I	P&D	4	F	\$ 100,000			
Urbana	PD-CW-08-13	2008	I,IIIB, IVB	P&D	4	L		7/2/08	\$ 464,000	\$ 464,000
Colesburg	1920385 01	2008	I	210	4	P	\$ 1,321,000			
Edgewood	1920403 01	2008	I, IIIB, IVA	200	4	P	\$ 1,387,000			
Fenton	1920397 01	2008	I, IVA	200	4	P	\$ 1,925,000			
Stuart	1920383 01	2008	II	200	4	P	\$ 2,800,000			
Polk County	1920396 01	2008	IVB	185	4	P	\$ 4,761,000			
Wastewater		2008	IVB	185	4	P	\$ 31,173,000			
Elkader	1920391 01	2008	II, IIIB	180	4	P	\$ 7,239,000			
Luther	1920386 01	2008	II	180	4	P	\$ 1,919,000			
RUSS (Lake Trio)	1920380 01	2008	II	175	4	P	\$ 329,000			
Lidderdale	1920384 01	2008	IIIA	160	4	P	\$ 186,000			
North Liberty	1920333 02	2008	II	160	4	F	\$ 3,429,000			
Stockton	1920393 01	2008	IIIB	160	4	P	\$ 244,000			
Atlantic	1920381 01	2008	II	155	4	P	\$ 4,565,000			
Conesville	1920401 01	2008	I	150	4	P	\$ 939,000			
Kalona	1920387 01	2008	IIIB	150	4	P	\$ 650,000			
Newell	1920392 01	2008	II, IIIA	150	4	P	\$ 4,226,000			
Sac City	1920388 01	2008	II	150	4	P	\$ 5,812,000			
St. Charles	1920390 01	2008	II	150	4	P	\$ 575,000			
Welton	1920398 01	2008	II	150	4	P	\$ 259,000			
Baxter	1920395 01	2008	II	140	4	P	\$ 4,150,000			
Delhi	1920389 01	2008	I, IIIB	140	4	P	\$ 1,308,000			
North Polk Community	1920394 01	2008	IVB	130	4	P	\$ 2,505,000			
New Hartford	1920402 01	2008	IIIB	125	4	P	\$ 354,000			
Guttenberg	1920399 01	2008	II	115	4	P	\$ 832,000			
Low Moor	1920400 01	2008	I	105	4	P	\$ 612,000			
Norway	1920382 01	2008	II	95	4	P	\$ 2,752,000			
Macedonia	PD-CW-08-04	2008	I	P&D	3	F	\$ 32,000			
Steamboat Rock	PD-CW-08-07	2008	II	P&D	3	F	\$ 13,000			
Emmetsburg	1920376 01	2008	II	180	3	P	\$ 1,389,000			
ADLM (Honey Creek)	1920379 01	2008	I	160	3	P	\$ 1,515,000			
Wastewater	1920375 01	2008	II, IIB	160	3	P	\$ 30,255,000			

Zearing	1920378 01	2008	II, IIIB	145	3	L		7/2/08	\$ 2,251,000	\$ 2,200,000
Muscatine	1920377 01	2008	II	130	3	P	\$ 13,500,000			
Alburnett	PD-CW-06-101	2008	I	P&D	2	F	\$ 15,000			
ADLM (Iconium)	1920362 01	2008	I	210	2	P	\$ 2,372,000			
Keokuk	1920365 01	2008	II,V	160	2	P	\$ 5,555,000			
Princeton	1920370 01	2008	I	160	2	P	\$ 1,647,000			
Clayton County	1920363 01	2008	I	150	2	P	\$ 327,000			
Elgin	1920373 01	2008	IIIB	150	2	P	\$ 905,000			
Rock Valley	1920374 01	2008	II	145	2	P	\$ 6,156,000			
Boone	1920368 01	2008	II,IIIB	120	2	P	\$ 4,380,000			
Fort Madison	1920367 01	2008	IIIB	120	2	F	\$ 2,000,000			
Correctionville	1920372 01	2008	IIIB	95	2	F	\$ 1,030,000			
Donahue	1920371 01	2008	I	85	2	P	\$ 1,106,000			
Clinton	PD-CW-06-89	2008	V	P&D	1	F	\$ 2,000,000			
EIRUSS (Fairview)	PD-CW-06-81	2008	I	P&D	1	F	\$ 111,000			
Kelley	PD-CW-06-87	2008	VI	P&D	1	F	\$ 430,000			
RUSS (Argyle)	PD-CW-06-69	2008	I, IVA	P&D	1	F	\$ 193,000			
RUSS (Plantation)	PD-CW-06-79	2008	I, IVA	P&D	1	F	\$ 193,000			
Early	1920353 01	2008	I, IIIB	150	1	L		7/2/08	\$ 1,012,000	\$ 850,000
Mason City	1920354 01	2008	II	75	1	P	\$ 10,490,000			
RUSS (Mt. Union)	PD-CW-06-59	2007	I, IVA	P&D	4	F	\$ 193,000			
Winfield	1920343 01	2007	IIIB	170	4	F	\$ 350,000	7/2/08	\$ 623,000	\$ 273,000
Coin	1920351 01	2007	I, IIIA	155	4	P	\$ 126,000			
Manchester	1920349 01	2007	II	155	4	L		7/2/08	\$ 7,654,000	\$ 7,720,000
Pomeroy	1920347 01	2007	I	155	4	P	\$ 1,288,000			
Hancock	1920350 01	2007	I	150	4	P	\$ 221,000			
Inwood	1920342 01	2007	I	150	4	F	\$ 1,399,000			
Malcom	1920352 01	2007	I	150	4	P	\$ 306,000			
Everly	1920344 01	2007	IIIB	120	4	P	\$ 753,000			
Mineola	PD-CW-06-35	2007	I, IVA	P&D	3	F	\$ 154,000			
Treynor	PD-CW-06-36	2007	II	P&D	3	F	\$ 300,000			
Dubuque	1920341 01	2007	VI	135	3	P	\$ 2,336,000			
Nashua	1920335 01	2007	II, IIIB	200	2	F	\$ 2,550,000			
Burlington	1920332 01	2007	II	145	2	F	\$ 4,000,000			
Ottumwa	1920324 01	2007	II	170	1	P	\$ 3,046,000			
Andrew	1920325 01	2007	IIIB	140	1	P	\$ 70,000			
Huxley	1920330 01	2007	II	93	1	F	\$ 6,300,000			
University Park	1920331 01	2007	IIIB	89	1	F	\$ 312,000			
Bridgewater	1920322 01	2006	IIIA	96	4	P	\$ 137,000			
Mt. Auburn	1920317 01	2006	I	127	3	P	\$ 193,000			
Moulton	1920318 01	2006	IIIA	111	3	P	\$ 102,000			
Toledo	1920291 01	2005	II, IVB	190		P	\$ 3,400,000			
Camanche	1920292 01	2005	I	168		P	\$ 2,000,000			
Perry		2005	IVB	130		D				
Sherrill	1920283 01	2005	I, IIIA	118		P	\$ 554,000			
Olin	1920310 01	2005	II	73		P	\$ 1,028,000			
Milton	1920303 01	2005	IIIA	38		P	\$ 488,000			
Pleasantville		2004	II	Seg		D				
West Liberty	1920278 01	2004	II	101		F	\$ 1,750,000			
Hamburg	1920198 02	2000	I, IIIA	Seg		P	\$ 448,000			
							\$ 363,329,520		\$ 12,004,000	\$ 11,507,000

Contingency -- C
Dropped -- D
Ready for Funding -- F
Loan Signed -- L
Planning Stage -- P

Project Name	DWSRF No.	IUP Yr	Project Type	Priority Points	Quarter	Project Status	Current Requests	Loan Signed	Original Request
Burlington	FS-29-09-DWSRF-005	2009	B	20	2	P	\$ 2,584,000		
Harlan	PD-DW-08-48	2009	G	P&D	2	F	\$ 435,000		
Keokuk	PD-DW-08-43	2009	G	P&D	2	F	\$ 222,000		
North English	PD-DW-08-51	2009	G	P&D	2	F	\$ 200,000		
Wellman	PD-DW-08-50	2009	G	P&D	2	F	\$ 50,000		
Woodward	PD-DW-08-41	2009	G	P&D	2	F	\$ 150,000		
Whittemore	FS-55-09-DWSRF-001	2009	B, C, E	55	1	P	\$ 600,000		
Dayton	FS-94-09-DWSRF-002	2009	B, C, E	55	1	P	\$ 606,000		
Lisbon	FS-57-09-DWSRF-004	2009	A, B, E	90	1	P	\$ 303,000		
Sioux City	PD-DW-08-37	2009	G	P&D	1	F	\$ 500,000		
Sioux City	PD-CW-08-36	2009	G	P&D	1	F	\$ 3,450,000		
Stratford	FS-40-08-DWSRF-028	2008	B,C,E	35	4	P	\$ 980,000		
New Sharon	FS-62-08-DWSRF-035	2008	B,C,E	35	4	P	\$ 600,000		
Floyd	FS-34-08-DWSRF-031	2008	B,C,E	35	4	P	\$ 344,000		
Keosauqua	FS-89-08-DWSRF-034	2008	B,C,E	40	4	P	\$ 354,000		
Granger	FS-25-08-DWSRF-040	2008	B,E	40	4	P	\$ 2,100,000		
Solon	FS-52-08-DWSRF-025	2008	B,E	45	4	P	\$ 1,251,000		
Dallas Center	FS-25-08-DWSRF-039	2008	B,E	45	4	P	\$ 900,000		
Charles City	FS-34-08-DWSRF-038	2008	B,E	45	4	P	\$ 9,219,000		
Wyoming	FS-53-08-DWSRF-030	2008	B,C,E	55	4	P	\$ 539,500		
Renwick	FS-46-08-DWSRF-036	2008	B,C,E	55	4	P	\$ 871,000		
Lamoni	FS-27-08-DWSRF-029	2008	B,C,E	55	4	P	\$ 168,000		
Eldon	FS-90-08-DWSRF-033	2008	B,C,E	55	4	P	\$ 333,000		
Bronson	FS-97-08-DWSRF-032	2008	B,C,E	55	4	P	\$ 679,000		
Hubbard	FS-42-08-DWSRF-037	2008	A,B,E	90	4	P	\$ 1,712,000		
Okoboji	FS-30-08-DWSRF-019	2008	B,E	30	3	P	\$ 1,871,000		
Crawfordsville	FS-92-08-DWSRF-026	2008	B,E	30	3	P	\$ 404,000		
Spirit Lake	FS-30-08-DWSRF-023	2008	B,E	45	3	F	\$ 4,800,000		
Fox Creek Benefitted Water District	FS-77-07-DWSRF-021	2008	B,E	45	3	D			
Council Bluffs	FS-78-08-DWSRF-024	2008	B,C,G	45	3	P	\$ 29,846,000		
Rock Valley	FS-84-08-DWSRF-016	2008	C,E	20	2	P	\$ 1,417,000		
Rathbun Regional Water Association	FS-04-08-DWSRF-017	2008	B,G	30	2	P	\$ 25,000,000		
Humboldt	FS-46-08-DWSRF-015	2008	B,E	45	2	P	\$ 6,605,000		
Central Water System	FS-30-08-DWSRF-011	2008	B,E	45	2	P	\$ 15,625,000		
Stanwood	FS-16-08-DWSRF-010	2008	B,C,E	55	2	F	\$ 225,000		
Alburnett	PD-DW-06-102	2008	G	P&D	2	F	\$ 12,000		
Eldora	FS-42-08-DWSRF-004	2008	B,E	30	1	F	\$ 200,000		
Oakland	FS-78-08-DWSRF-008	2008	A,B,E	70	1	P	\$ 200,000		
Kelley	PD-DW-06-88	2008	G	P&D	1	F	\$ 430,000		
West Burlington	FS-29-07-DWSRF-013	2007	B,E	45	4	P	\$ 2,380,000		
Mahaska Rural Water System, Inc.	FS-62-07-DWSRF-020	2007	B,E	45	4	F	\$ 1,578,000		
Tiffin	PD-DW-06-62	2007	G	P&D	4	F	\$ 220,000		
Laurens	PD-DW-06-51	2007	G	P&D	4	F	\$ 60,000		
Fort Madison	FS-56-07-DWSRF-017	2007	B,C	25	3	P	\$ 11,778,000		
Oskaloosa	FS-62-07-DWSRF-007	2007	B	35	3	P	\$ 6,000,000		
Onawa	FS-67-07-DWSRF-016	2007	B,C,E	35	3	P	\$ 762,000		
Hartley	FS-71-07-DWSRF-019	2007	B,C,E	35	3	P	\$ 1,894,000		
Hornick	FS-97-07-DWSRF-012	2007	B,C,E	40	3	F	\$ 530,000		
Denmark Water Co.	FS-56-07-DWSRF-014	2007	B,C,E	40	3	P	\$ 606,000		
Centerville	FS-04-07-DWSRF-006	2007	B,C,E	40	3	F	\$ 450,000		
Oakville	FS-58-07-DWSRF-018	2007	B,C,E	55	2	P	\$ 455,000		
Lake Mills	FS-95-07-DWSRF-011	2007	B,C,E	55		P	\$ 631,000		
DeSoto	FS-25-06-DWSRF-017	2006	B,C,E	55		P	\$ 788,000		
Lowden	FS-16-05-DWSRF-001	2005	B,E, G	40		C	\$ 514,000		
Clarinda	FS-73-05-DWSRF-009	2005	A, B, E	85		D			
Woodbine	FS-43-05-DWSRF-029	2005	A,B,C,E	115		P	\$ 1,450,000		
							\$ 145,881,500	\$	-

Contingency -- C
Dropped -- D
Ready for Funding -- F
Loan Signed -- L
Planning Stage -- P